

**MINUTES OF THE REGULAR MEETING**  
**OF THE**  
**COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY**

**August 19, 2008**

The Commissioners of the Chicago Housing Authority held it's Regular Meeting on Tuesday, August 19, 2008, at 8:30 a.m. at Trumbull Park, Park District Fieldhouse, 2400 E. 105<sup>th</sup> Street, Chicago, Illinois.

Chairperson Nesbitt called the meeting to order and upon roll call, those present and absent were as follows:

Present:	Martin Nesbitt Hallie Amey Dr. Mildred Harris Michael Ivers Samuel Mendenhall Bridget O'Keefe Carlos Ponce Mary Wiggins
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Absent:	Sandra Young
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Also present were Lewis Jordan, Chief Executive Officer, Adrienne Minley, Chief of Staff; Scott Ammarell, General Counsel; Chicago Housing Authority Staff Members and the General Public.

There being a quorum present, the meeting duly convened and business was transacted as follows:

Lewis Jordan, Chief Executive Officer, then presented his monthly report. Mr. Jordan commenced his report by announcing how great it was to see first hand the renovations that have been made at Trumbull and to hear from residents how well the development is workings. Mr. Jordan then continued by announcing organizational changes that included the addition of Elias Rosario as Executive Vice President for Finance and Kris Warren as Executive Vice President of the Asset Management Division. Mr. Jordan then highlighted results of CHA's summer program which included participation of 1,742 youths in day camps, 118 CHA youth in the overnight camp and approximately 500 teens participated in summer youth employment programs. Mr. Jordan then concluded his report by highlighting leasing statistics that clearly indicate leaseholders are taking advantage of the opportunities offered by the Plan for Transformation. Mr. Jordan informed the Commissioners that over the next month staff will be collecting and analyzing more data to ascertain how various aspects of the Plan are operating.

The Chairperson then convened the Public Hearing portion of the meeting by inviting residents and the public at large to address the Board.

Immediately following the Public Hearing portion of the meeting, a Motion was introduced and seconded to adjourn to Executive Session. The Chairperson announced that pursuant to the Open Meetings Act, 5 ILCS 120/2, the Board would adjourn for approximately one (1) hour to discuss pending, probable or imminent litigation, collective negotiating matters, security and personnel matters.

The Commissioners subsequently reconvened in Open Session and Chairman Nesbitt thereupon introduced the Resolutions discussed in Executive Session.

Commissioner Ivers presented an Omnibus Motion for the approval of resolutions for Executive Session Items 1 and 2.

**Executive Session Item 1**

**RESOLUTION NO. 2008-CHA-97**

**WHEREAS,** the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated August 4, 2008, requesting that the Board of Commissioners approves the Personnel Actions Report for July 2008.

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT,** the Board of Commissioners hereby approves the Personnel Actions Report for July 2008.

**Executive Session Item 2**

**RESOLUTION NO. 2008-CHA-98**

**WHEREAS,** the Board of Commissioners has reviewed the Board Letter dated August 4, 2008, requesting authorization to enter into a settlement agreement in the amount of \$185,361 in the matter of Vernez Nichols v. Woodlawn Development Corporation, 05 WC 25452.

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT,** the Board of Commissioners authorizes the General Counsel, or his designee, to enter into a settlement agreement in the amount of \$185,361 in the case known as Vernez Nichols v. Woodlawn Community Development Corporation, 05 WC 25452.

The Omnibus Motion to adopt resolutions for Executive Session Items 1 and 2 was seconded by Commissioner Harris and the voting was as follows:

Ayes: Martin Nesbitt  
Hallie Amey  
Dr. Mildred Harris  
Michael Ivers  
Samuel Mendenhall  
Bridget O'Keefe  
Mary Wiggins

Nays: None

The Chairperson thereupon declared said Motion carried and said Resolutions adopted.

Commissioner Ponce, Chairperson of the Operations Committee, then presented his monthly report. Per Commissioner Ponce, the Operations Committee meeting was held on Wednesday, August 13 at 1:00 p.m. at the 60 East Van Buren Corporate Offices.

Commissioner Ponce then advised Chairman Nesbitt that after Committee discussion of Item A1, Commissioners voted to defer this item for further review. However, based on additional information provided by staff, Commissioner Ponce introduced a Motion for the adoption and approval of the Resolution for Items A1.

**(Item A1)**

The CHA advertised Invitation for Bid (IFB) to perform the reconstruction of the first floor concrete slab at Armour Square Annex Apartments. The IFB was advertised in area newspapers and on the CHA website. After a thorough review of the three bids submittals, pre-award survey meetings were conducted with all three bidders and the lowest apparent bidder was brought in for a second pre-award survey meeting to answer additional questions. Based on these pre-award survey meetings and submitted materials, it was determined that the second lowest bidder, Tropic Construction Corporation, was the responsible, responsive bidder. Accordingly, the resolution for Item A1 approves award of contract to Tropic Construction Corporation for reconstruction of the first floor concrete slab at Armour Square Annex Apartments.

**RESOLUTION NO. 2008-CHA-99**

**WHEREAS,** the Board of Commissioners has reviewed the Board Letter dated August 13, 2008 entitled “AUTHORIZATION TO EXECUTE A CONTRACT WITH TROPIC CONSTRUCTION CORPORATION FOR THE 1<sup>st</sup> FLOOR PARTIAL CONCRETE SLAB REPLACEMENT AT ARMOUR SQUARE ANNEX APARTMENTS (IL2-033B)”;

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT** that the Board of Commissioners authorizes the Chief Executive Officer or his designee to execute a contract with Tropic Construction Corporation in the amount of \$2,813,782.00 for work which includes, but is not limited to, the reconstruction of the first floor concrete slab at Armour Square Annex Apartments (IL2-033B), a Senior Housing development located at 3120 and 3250 South Wentworth, to be completed by no later than August 20, 2009.

This award is subject to the Contractor’s compliance with the CHA’s MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

The Motion to adopt resolution for Item A1 was seconded by Commissioner Wiggins and the voting was as follows:

Ayes:	Martin Nesbitt
	Hallie Amey
	Dr. Mildred Harris
	Michael Ivers
	Samuel Mendenhall
	Bridget O’Keefe
	Mary Wiggins

Nays:	None
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Commissioner Ponce then introduced an Omnibus Motion for the adoption of Resolutions for Items A2 thru A5 discussed, voted and recommended for Board approval by the Operations Committee.

**(Item A2)**

The resolution for Item A2 approves an Electrical Facilities Services Agreement with Commonwealth Edison, not-to-exceed \$587,562.02, for the provision of Electrical Facilities and Equipment Services at Dearborn Homes, Phase 2. Under the Agreement, ComEd will be making changes to its infrastructure to bring additional power to Dearborn Homes, which will include running power from ComEd facilities off-site to Dearborn Homes. In addition, ComEd will install switches and other equipment on the site to distribute the power. Due to ComEd’s ownership of the transformers and electrical lines serving the community, ComEd is the only distributing electricity supplier for the area, and is the sole source provider of distribution facilities and infrastructure to service the development. Consequently, the CHA is governed by the general terms and conditions of ComEd’s tariff agreements. Subject to certain terms, conditions and tariff provisions, the CHA may be entitled to future credits or cost recovery for capital costs associated with these distribution facilities and infrastructure improvements based upon the volume of electricity usage at Dearborn Homes. This procurement by non-competitive proposal was approved on a sole source basis.

**RESOLUTION NO. 2008-CHA-100**

**WHEREAS,** the Board of Commissioners has reviewed Board Letter dated August 12, 2008 entitled “AUTHORIZATION TO EXECUTE AN ELECTRICAL FACILITIES SERVICE AGREEMENT WITH COMMONWEALTH EDISON FOR THE PROVISION OF ELECTRICAL DISTRIBUTION FACILITIES AND RELATED SERVICES AT DEARBORN HOMES – PHASE 2 (IL2-009)”;

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT** the Board of Commissioners authorizes the Chief Executive Officer or his designee to execute an Electric Facilities Service Agreement with Commonwealth Edison for the provision of electrical distribution facilities and related services at Dearborn Homes (IL2-009) in an amount not-to-exceed \$587,562.02.

**(Item A3)**

The resolution for Item A3 approves disposition of Lawndale Complex Site and Execution of a Land Use Lease Agreement with Mount Sinai. The former Lawndale Complex residential development located on the 2600 block of 13<sup>th</sup> Place was demolished on May 23, 2001. The adjacent Project-Based Section 8 development known as Ogden Courts located on the 2600 and 2700 block of Ogden Avenue was demolished on May 30, 2006. Both developments are now vacant land. Sinai Health Center proposes to enter into a lease agreement to build and maintain a parking lot on approximately 75% of the Lawndale Complex/Ogden Courts site. The parking lot will help reduce traffic congestion in the area. The remaining 25% of the Lawndale Complex Site will remain vacant until such time new mixed income housing development commences. The purpose of this lease is to increase the quality of life for public housing residents, Sinai staff and visitors, and residents residing in the area surrounding the site. The site is being leased at less than fair market value, however, there is an additional public benefit to leasing the site due to the fact that Sinai will provide training and employment opportunities for CHA residents. Jobs will be generated for the construction of the parking lot, the operation of the parking lot or for hospital support duties. The Sinai community will also benefit through reduced parking congestion.

**RESOLUTION NO 2008-CHA-101**

**WHEREAS,** the Board of Commissioners has reviewed Board Letter dated August 13, 2008, requesting authorization for the disposition of the Lawndale Complex Site and the execution of a three year land use lease agreement with two consecutive one-year option year extensions granted to Mount Sinai for vacant property located at the 2600 block of 13<sup>th</sup> Place.

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT** the Board of Commissioners authorizes the Chief Executive Officer or his designee to execute the disposition of the Lawndale Complex Site and execute a three year land use lease agreement with two consecutive one-year option year extensions granted to Mount Sinai Hospital for vacant property located at the 2600 block of 13<sup>th</sup> Place.

**(Item A4)**

The resolution for Item A4 approves an Option To Purchase and License Agreement for 1322-24 West Taylor Street with the National Public Housing Museum in ABLA. Members of Chicago's civic community have partnered with CHA resident leadership in an effort to save the last remaining Jane Addams residential building and develop it into a National Public Housing Museum. To this end, the National Public Housing Museum has obtained its non-profit certification and established a Board of Directors. The CHA has agreed to donate the land and its improvements if this entity can meet a \$13,000,000 fundraising goal as follows: a) May 31<sup>st</sup>, 2009 – raise a total of \$3,200,000; b) December 31<sup>st</sup>, 2010 – raise a cumulative total of \$4,700,000 (additional \$1.5 mil.); c) December 31<sup>st</sup>, 2011 – raise a cumulative total of \$13,000,000 (additional \$8.3 mil.). The CHA will terminate the Option and License Agreement if the Museum does not meet a fundraising benchmark in the specified time frame. The concept for the Public Housing Museum will be more than a collection of objects. Through stories of real families, it will function as an interpretive center dedicated to social reflection and civic dialogue about the history of public housing in Chicago and America. The Museum will provide a neutral forum to discuss the lessons of public housing and closely related issues such as housing, poverty, race and immigration, which continue to shape the urban experience and affect communities. The Museum is expected to occupy approximately one-third of the 24,089 square foot site. The Museum would be comprised of a permanent exhibition, gallery space for special exhibitions, a visitor's center, museum offices, and a museum retail shop. The remaining space will be developed to accommodate complementary uses, which may include an affordable housing research and policy center that offers educational programs, workshops, and symposia

for students, academics, and the general public. The site may also include space for archival areas for storage of historical materials, independently leased retail and office space, and housing for visiting faculty. Revenue from these complementary uses will help to fund the Museum's operations over time.

**RESOLUTION NO. 2008-CHA-102**

**WHEREAS**, the Board of Commissioners has reviewed Board Letter dated August 13, 2008 titled Authorization to enter into an Option to Purchase and License Agreement for 1322-24 West Taylor Street with the National Public Housing Museum in the ABLA (Jane Addams) Development.

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT** the Board of Commissioners hereby authorizes the Chief Executive Officer or his designee to enter into an Option to Purchase and License Agreement for 1322-24 West Taylor Street with the National Public Housing Museum.

**(Item A5)**

The resolution for Item A5 approves submittal of a Disposition Application to HUD for property located at 1000 North Sedgwick and authorizes the CHA to enter into a long term lease with "By the Hand Club For Kids". By the Hand Club for Kids" is a faith-based, after-school program. Of the 62 employees, 34 are current/former CHA residents and serve 215 children, 65% of which are current/former CHA residents. Currently, "By the Hand Club for Kids" leases space from the CHA at 1000 N. Sedgwick St. under a Lease that is due to expire on October 31, 2008. In an effort to consolidate the remaining occupied buildings in the Cabrini area, the CHA intends to shut down the heating plant that also services the building in which "By the Hand Club for Kids" now utilizes. "By the Hand Club for Kids" has requested to continue its occupancy of the 1000 N. Sedgwick building under a long-term lease arrangement and has indicated a willingness to commit to install a heating system at the property. Previously, "By the Hand Club for Kids" has made other capital improvements to the building at its own expense, so as to continue operations of its after-school program. It is estimated that the installation of a heating system for the 1000 N. Sedgwick building will cost approximately \$100,000. In the event that the CHA needs to terminate the long term lease arrangement and the newly installed heating system has been properly maintained and repaired during the term of the Lease, it has been mutually agreed, pending approval of the Lease, that CHA would reimburse "By the Hand Club for Kids" on a prorated basis for the remaining value of the heating system at the time of lease termination.

**RESOLUTION NO. 2008-CHA-103**

**WHEREAS**, the Board of Commissioners has reviewed Board Letter dated August 13, 2008 entitled "Authorization to Submit a Disposition Application to the U.S. Department of Housing and Urban Development for Property Located At 1000 N. Sedgwick St. and Authorization to Enter into a Long Term Lease with "By the Hand Club for Kids";

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT**, the Board of Commissioners authorizes the Chief Executive Officer or his designee to (1) submit a disposition application to HUD for the property located at 1000 N. Sedgwick St. and (2) authorization to enter into a long term lease for a base term of 25 years, subject to CHA review every five (5) years, with monthly rent in the amount of \$100.00. The execution of the Lease is subject to HUD approval. In the event that the CHA terminates the long term lease arrangement prior to the expiration of the base term and the newly installed heating system is properly maintained and/or repaired during the term of the Lease by "By the Hand Club for Kids", the CHA shall reimburse, on a prorated basis, the remaining value of the heating system to "By the Hand Club for Kids" at the time of lease termination. An annual depreciation value of \$4,000 will be used for calculating the remaining value of the heating system.

The Omnibus Motion to adopt resolutions for Items A2 through A5 was seconded by Commissioner Harris and the voting were as follows:

Ayes: Martin Nesbitt  
Hallie Amey  
Dr. Mildred Harris  
Michael Ivers  
Samuel Mendenhall  
Bridget O’Keefe  
Mary Wiggins

Nays: None

There being no questions or discussion, the Chairperson thereupon declared said Motion carried and said resolutions adopted. The Operations and Facilities Committee report was also accepted in total.

Commissioner O’Keefe, Chairperson of the Finance and Audit Committee, then presented her monthly report. Per Commissioner O’Keefe the Finance & Audit Committee held its regular meeting on Wednesday, August 13, 2008 at approximately 2:05 p.m. at the 60 East Van Buren Corporate offices. The Deputy Chief Financial Officer and staff presented the Committee with the Treasury & Cash Flow Report for the month of July 2008.

Commissioner O’Keefe then introduced a Motion for the adoption of the Resolution for Item B1, discussed, voted and recommended for Board approval by the Finance and Audit Committee.

**(Item B1)**

In accordance with the regulations promulgated by HUD, the CHA must review its flat rent schedule, which is based on the market rent charged for comparable units in the private unassisted rental market. In assigning flat rents, the CHA must consider the location, quality, size, unit type and age of the unit and any amenities, housing services, maintenance and utilities provided by the CHA. The CHA issued a Request for Proposal (RFP) on April 10, 2008. The RFP was advertised in area newspapers and on the CHA Website. Of the two responses received both firms scored within that range and were asked to participate in orals. A second scoring was performed after orals and the submission of best and finals offers. After consideration of the evaluations and best and final offers Applied Real Estate Analysis is the recommended awardee. Accordingly, the resolution for Item B1 approves award of contract to Applied Real Estate Analysis.

**RESOLUTION NO. 2008-CHA-104**

**WHEREAS**, the Board of Commissioners has reviewed the Board Letter dated August 13, 2008, titled, “Authorization to Enter into an Agreement with Applied Real Estate Analysis to Conduct a Rent Comparison Study”.

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT**, the Board of Commissioners hereby authorizes the Chief Executive Officer or his designee to enter into an agreement with Applied Real Estate Analysis to conduct a Rent Comparison Study in an amount not to exceed \$118,847.10.

The Motion to adopt resolution for Item B1 was seconded by Commissioner Ivers and the voting was as follows:

Ayes: Martin Nesbitt  
Hallie Amey  
Dr. Mildred Harris  
Michael Ivers  
Samuel Mendenhall  
Bridget O’Keefe  
Mary Wiggins

Nays:           None

There being no questions or discussion, the Chairperson thereupon declared said Motion carried and said resolution adopted. The Finance and Audit Committee report was also accepted in total.

There being no further business to come before the Commissioners, upon Motion made, seconded and carried, the meeting of the Board of Commissioners was adjourned.

s/b:     Martin Nesbitt  
          Chairperson

s/b:     Lee Gill, Custodian and  
          Keeper of Records